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**SECOND SUPPLEMENT  
TO  
AMENDED AND RESTATED  
TRUST AGREEMENT**

**Dated as of October 1, 2008**

**By and Between the**

**CITY OF SAN JOSE FINANCING AUTHORITY**

**and**

**WELLS FARGO BANK, NATIONAL ASSOCIATION,  
as Trustee**

**Relating to**

**City of San José Financing Authority  
Tax-Exempt Lease Revenue  
Commercial Paper Notes**

**and**

**City of San José Financing Authority  
Taxable Lease Revenue  
Commercial Paper Notes**

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## **SECOND SUPPLEMENT TO AMENDED AND RESTATED TRUST AGREEMENT**

THIS SECOND SUPPLEMENT TO AMENDED AND RESTATED TRUST AGREEMENT, dated as of October 1, 2008 (the "Second Supplement"), is by and between the CITY OF SAN JOSE FINANCING AUTHORITY (the "Authority"), a public body, corporate and politic, duly organized and existing under the laws of the State of California (the "Authority"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

### **RECITALS**

**WHEREAS**, the Authority is a joint exercise of powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement, dated December 8, 1992, by and between the City of San José (the "City") and the Redevelopment Agency of the City of San José (the "Agency"), and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to the Act to borrow money for the purpose, among other things, of financing and refinancing public capital improvements for the City and the Agency; and

**WHEREAS**, the Authority has heretofore determined to adopt and implement a commercial paper program under which the Authority will provide financing for certain public capital improvements for the City; and

**WHEREAS**, on January 28, 2004, pursuant to the Act and a Trust Agreement, dated as of January 1, 2004 (the "the Original Trust Agreement"), between the Authority and the Trustee, the Authority delivered its first issue of its not to exceed \$98,000,000 Tax-Exempt Lease Revenue Commercial Paper Notes (the "Tax-Exempt Commercial Paper Notes"); and

**WHEREAS**, concurrently with the delivery of the first issue of the Tax-Exempt Commercial Paper Notes, the Authority and the City entered into a Site Lease, dated as of January 1, 2004 (as amended, the "Site Lease"), pursuant to which the Authority leased from the City certain Property (as such term is defined therein) located in the City, including the buildings and improvements thereon owned by the City; and

**WHEREAS**, concurrently with the delivery of the first issue of the Tax-Exempt Commercial Paper Notes, the Authority and the City also entered into a Sublease, dated as of January 1, 2004 (as amended, the "Sublease"), pursuant to which the City subleased the Property from the Authority; and

**WHEREAS**, on November 9, 2004, the Authority and the City adopted resolutions, after a duly held public hearing, approving using proceeds of the Commercial Paper Notes (as defined below) to finance the installation and integration of computer software, software licensing, hardware and certain related costs (including training and maintenance) related to the City's billing system referred to as the "Integrated Utility Billing, Customer Service and Performance Management System" (the "CUSP Project"); and

**WHEREAS**, the City, in order to increase its flexibility with respect to a portion of the Projects, requested that, pursuant to the Act, the Authority issue its City of San José Financing

Authority Taxable Lease Revenue Commercial Paper Notes (the "Taxable Commercial Paper Notes"); and

**WHEREAS**, in order to aid the City, the Authority determined to amend and restate the Original Trust Agreement and to amend certain related documents in order to provide for the issuance of its Taxable Commercial Paper Notes as well as its Tax-Exempt Commercial Paper Notes (collectively, the "Commercial Paper Notes"); and

**WHEREAS**, on June 23, 2005, the Authority and the Trustee entered into an Amended and Restated Trust Agreement (the "Amended and Restated Trust Agreement") in order to provide for the issuance of Taxable Commercial Paper Notes; and

**WHEREAS**, on November 17, 2005, the Authority and the Trustee entered into a First Supplement to Amended and Restated Trust Agreement (the "First Supplement") in order to increase the not-to-exceed maximum aggregate principal amount of Commercial Paper Notes from \$98,000,000 to \$116,000,000, and also to allow the additional use of the Commercial Paper Notes to finance the City's Central Service Yard Phase II Project and the demolition and clean up at the City's Main Service Yard; and

**WHEREAS**, on May 22, 2007, the Authority and the City Council of the City adopted resolutions, after a duly held public hearing, approving using proceeds of Taxable Commercial Paper Notes to pay for the cost of improvements to the City-owned HP Pavilion and related costs; and

**WHEREAS**, the Authority now desires to further amend the Amended and Restated Trust Agreement in order to aid the City to refinance certain working capital obligations that it is not able to refinance under the Amended and Restated Trust Agreement, as heretofore amended by the First Supplement;

**WHEREAS**, the Authority has determined to enter into this Second Supplement to Amended and Restated Trust Agreement in order to aid the City in refinancing the working capital obligations referenced above; and

**WHEREAS**, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Second Supplement to Amended and Restated Trust Agreement do exist, have happened and have been performed in due time, form, and manner as required by law, and the parties hereto are duly authorized to execute and enter into this Second Supplement to Amended and Restated Trust Agreement; and

**WHEREAS**, the execution and delivery of this Second Supplement to Amended and Restated Trust Agreement have been duly approved and authorized by resolution of the Governing Board of the Authority;

**NOW, THEREFORE**, the parties hereto, in consideration of the premises and the mutual covenants and commitments of the parties set forth herein, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, hereby agree as follows:

## AGREEMENT

**Section 1.** The following defined terms are added to Section 1.02 of the Trust Agreement, and made a part thereof:

**"Amended and Restated Trust Agreement"** means the Amended and Restated Trust Agreement, dated as of June 1, 2005, between the Authority and the Trustee.

**"First Supplement"** means the First Supplement to Amended and Restated Trust Agreement, dated as of November 1, 2005, between the Authority and the Trustee.

**"Refunding Law"** means Articles 10 and 11 (commencing with Section 53570) of Chapter 3, Part 1, Division 2, Title 5 of the California Government Code, as applicable.

**"Second Supplement"** means the Second Supplement to Amended and Restated Trust Agreement, dated as of October 1, 2008, between the Authority and the Trustee.

**Section 2.** The following defined terms set forth in Section 1.02 of the Trust Agreement are hereby revised as follows:

**"Project"** means the capital projects and the refinancing pursuant either to the Act or the Refunding Law of obligations of the Authority or the City, as set forth in Exhibit E to the Trust Agreement, as such Exhibit E may hereafter be amended, supplemented or revised.

**"Project Costs"** means the costs of the acquisition, construction, development and financing of capital facilities and improvements thereto, capital expenditures and extraordinary costs, and includes, without limitation, the costs of engineering, architectural services, plans, specification, surveys and estimates of costs, the costs of any taxes or assessments paid or to be paid in connection with the transfer of any property related to the capital facilities, and working capital costs of the Authority or the City; the refinancing pursuant to either the Act or the Refunding Law of any obligations of the Authority or the City; the costs of any indemnity or surety bonds or other insurance with respect to the acquisition, construction, development or financing of any capital facilities; the costs of software, computer upgrades and consulting fees related thereto; Costs of Issuance of the Commercial Paper Notes, including without limitation, expenses relating to registering or qualifying the Commercial Paper Notes for distribution in any jurisdiction of the United States, discounts, commissions, financing charges and fees and expenses of underwriters, dealers (including, but not limited to, the Dealer), remarketing agents, rating agencies, attorneys, accountants, advisors and consultants, letter of credit fees payable with respect to the Commercial Paper Notes, the premium payable with respect to any insurance policy with respect to the Commercial Paper Notes, the costs of audit and any credit enhancement facility; the cost of title insurance; any reimbursement payments to the Authority or the City; fees and expenses of the Trustee and the Issuing and Paying Agent; the administrative expenses of the City and the Authority attributable to the capital facilities, including, without limitation, compensation of officers, directors, employees, agents, attorneys, accountants and consultants of the Authority and any fees and expenses of the Trustee and the Issuing and Paying Agent during construction; and such other costs, whether or not specified herein, as may be necessary or incidental to the acquisition, construction, development

or financing of the capital facilities and any improvements thereto and the placing of the same in operation, and such other costs and expenses for changes, alterations and additions to the capital facilities requested by the Authority or the City.

**"Trust Agreement"** means the Amended and Restated Trust Agreement, as amended and supplemented by the First Supplement and the Second Supplement, and as hereafter further amended or supplemented in accordance with the terms thereof.

**Section 3.** Section 3.01 of the Trust Agreement is hereby amended to read as follows:

At any time after the execution of this Trust Agreement, the Authority may determine to issue Commercial Paper Notes under the Act and/or the Refunding Law, pursuant to the Trust Agreement and the Issuing and Paying Agent Agreement. The Commercial Paper Notes shall be issued in accordance with written instructions of an Authorized Representative, substantially in the form attached to this Trust Agreement as Exhibit G, delivered to the Issuing and Paying Agent by facsimile (or may be given telephonically or by e-mail with confirmation sent by facsimile). Said instructions:

(a) shall specify such principal amounts, dates of issue, purchase price, maturities, rates of interest and other terms and conditions which are hereby authorized and permitted to be fixed by an Authorized Representative at the time of sale of the Commercial Paper Notes, whether such Commercial Paper Notes will be Tax-Exempt Commercial Paper Notes or Taxable Commercial Paper Notes, and the amount of be Tax-Exempt Commercial Paper Notes and/or Taxable Commercial Paper Notes being issued under the Act and the amount of be Tax-Exempt Commercial Paper Notes and/or Taxable Commercial Paper Notes being issued under the Refunding Law;

(b) so long as the Authority uses the book-entry system with respect to the Commercial Paper Notes, shall include a request to the Issuing and Paying Agent to debit the purchaser's account at the Depository against credit to the Issuing and Paying Agent's account at the Depository which purchase shall then be recorded on the books and records of the Issuing and Paying Agent maintained with respect to each Master Note;

(c) if the Authority is no longer using the book-entry system with respect to the Commercial Paper Notes, shall include a request that the Issuing and Paying Agent authenticate such Commercial Paper Notes by countersignature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes, and the rules of the New York Clearinghouse shall apply thereto;

(d) shall contain provisions representing that all action on the part of the Authority necessary for the valid issuance of the Commercial Paper Notes then to be issued has been taken, that all provisions of California law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from California personal income taxation have been complied with, that, with respect to Tax-Exempt Commercial Paper Notes, all provisions of federal law for the valid issuance of such Commercial Paper Notes with provision for the exclusion of interest from gross income for federal income tax purposes have been complied with, and that such Commercial Paper Notes in the possession of the Holders thereof will be valid and

enforceable obligations of the Authority according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted; and

(e) shall also certify that:

(i) each of the following conditions has been satisfied;

(A) a Dealer Agreement or Dealer Agreements shall be in full force and effect providing for the marketing of all the Commercial Paper Notes Outstanding immediately upon such issuance;

(B) the interest rate on such Commercial Paper Notes shall not exceed the Maximum Interest Rate;

(C) a Credit Facility shall be in full force and effect with respect to all Commercial Paper Notes Outstanding immediately after such issuance in an amount sufficient to pay the principal of all outstanding Commercial Paper Notes and interest thereon at the rates then in effect with respect to the Commercial Paper Notes through the maturity dates thereof;

(D) the Authority shall not have received advice from Note Counsel that the interest on the Commercial Paper Notes proposed to be issued may not be exempt from California personal income tax or, with respect to Tax-Exempt Commercial Paper Notes, may not be excluded from gross income for federal income tax purposes;

(E) the principal amount of Notes Outstanding immediately after the issuance of such Commercial Paper Notes shall not exceed the Maximum Principal Amount calculated as of the date of such issuance;

(F) if the issuance of such Commercial Paper Notes is for a purpose other than refinancing, renewing, repaying or refunding Commercial Paper Notes or Advances, the Authority shall have issued to the City a Debt Service Certificate — Additional Commercial Paper Notes in the form of Exhibit C-2 to the Sublease reflecting the issuance of such Commercial Paper Notes and the City shall have complied with Section 3.1(c), if applicable, or Section 3.1(e) of the Sublease;

(G) If the issuance of such Commercial Paper Notes will result in an increase in the aggregate principal amount of Notes Outstanding in excess of \$116,000,000, then the Authority shall have also have received an opinion of Note Counsel that the interest on the Commercial Paper Notes proposed to be issued shall be exempt from California personal income tax and, with respect to Tax-Exempt Commercial Paper Notes, excludable from gross income for federal income tax purposes; and

(H) the Issuing and Paying Agent shall not have received a No-Issuance Notice from the Bank Agent on behalf of the Banks.

(ii) no Event of Default under Section 8.01 of the Trust Agreement has occurred and is continuing as of the date of such instructions;

(iii) the Authority has full power and authority to perform its duties and obligations with respect to the Notes and the Reimbursement Agreement;

(iv) the Authority is in compliance with its covenants set forth in Article VI hereof as of the date of such instructions; and

(v) the amount of Commercial Paper Notes to be Outstanding and interest accrued or to accrue thereon, together with the amount of any Advances evidenced by the Revolving Note, as of the date of such issuance does not exceed the amount of the credit commitment then available under the Credit Facility.

Notwithstanding the above provisions of this Section 3.01, if Commercial Paper Notes are maturing and the Authority has not delivered the written instructions substantially in the form of Exhibit G regarding the issuance of renewal Commercial Paper Notes, the Dealer is authorized to direct the Issuing and Paying Agent to issue Commercial Paper Notes in an amount equal to the amount of the maturing Commercial Paper Notes, and, in connection therewith, shall provide the Issuing and Paying Agent with the necessary information required in Section 3.01(a) above. In such event, the Authority will be deemed to be in compliance with the requirements of Section 3.01(e)(i)(D) and Section 3.01(e)(iv) unless it has given notice to the Issuing and Paying Agent that it is not in compliance with those requirements.

**Section 4.** Exhibit D to the Trust Agreement is hereby replaced in its entirety by Exhibit D hereto.

**Section 5.** Exhibit E to the Trust Agreement is hereby replaced in its entirety by Exhibit E hereto.

**Section 6.** Exhibit F to the Trust Agreement is hereby replaced in its entirety by Exhibit F hereto.

**Section 7.** Exhibit G to the Trust Agreement is hereby replaced in its entirety by Exhibit G hereto.

**Section 8.** Except as otherwise amended hereby and by the First Supplement, the Amended and Restated Trust Agreement shall remain in full force and effect.

**Section 9.** This Second Supplement may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplement to Amended and Restated Trust Agreement to be duly executed by their officers duly authorized as of the date first above written.

CITY OF SAN JOSE FINANCING  
AUTHORITY

By: Julia H. Cooper  
Julia H. Cooper,  
Deputy Director of Finance  
of the City of San José

ATTEST:

Lucy Garcia  
Secretary

Approved as to form:  
Richard Doyle, City Attorney

By: Richard Doyle  
Chief Deputy City Attorney

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as trustee

By: \_\_\_\_\_  
Authorized Officer



IN WITNESS WHEREOF, the parties hereto have caused this Second Supplement to Amended and Restated Trust Agreement to be duly executed by their officers duly authorized as of the date first above written.

CITY OF SAN JOSE FINANCING  
AUTHORITY

By: \_\_\_\_\_  
Julia H. Cooper,  
Deputy Director of Finance  
of the City of San José

ATTEST:

\_\_\_\_\_  
Secretary

Approved as to form:  
Richard Doyle, City Attorney

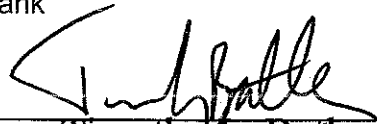
By: \_\_\_\_\_  
Chief Deputy City Attorney

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, as trustee

By: \_\_\_\_\_  
Authorized Officer

The undersigned hereby consent to the execution and delivery of this Second Supplement to Amended and Restated Trust Agreement,


STATE STREET BANK AND TRUST COMPANY,  
as a Bank

By:   
Name: Timothy L. Butler  
Title: Senior Vice President

CALIFORNIA STATE TEACHERS' RETIREMENT  
SYSTEM, as a Bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE STREET BANK AND TRUST COMPANY,  
as Bank Agent

By:   
Name: Timothy L. Butler  
Title: Senior Vice President

The undersigned hereby consent to the execution and delivery of this Second Supplement to Amended and Restated Trust Agreement,

STATE STREET BANK AND TRUST COMPANY,  
as a Bank

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

CALIFORNIA STATE TEACHERS' RETIREMENT  
SYSTEM, as a Bank

By:   
Name: Christopher J. Ailman  
Title: Chief Investment Officer

STATE STREET BANK AND TRUST COMPANY,  
as Bank Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT D

FORM OF PAYMENT REQUEST

[Letterhead of City of San José]

PAYMENT  
REQUEST NO. \_\_\_\_\_

Wells Fargo Bank, National Association  
707 Wilshire Boulevard, 17th Floor  
Los Angeles, California 90017  
Attention: Corporate Trust Department

Re: City of San José Financing Authority Tax-Exempt Lease Revenue Commercial  
Paper Notes

and

City of San José Financing Authority Taxable Lease Revenue Commercial Paper  
Notes

Ladies and Gentlemen:

Pursuant to [Section 3.05] [Section 3.07] of the Trust Agreement, dated as of January 1, 2004, as amended and restated as of June 1, 2005 and as further amended by a First Supplement to Amended and Restated Trust Agreement dated as of November 1, 2005 and a Second Supplement to Amended and Restated Trust Agreement dated as of October 1, 2008 (as so amended and as may be further amended, modified or otherwise supplemented from time to time, the "Trust Agreement"), between the City of San José Financing Authority and Wells Fargo Bank, National Association, the Trustee, you are hereby instructed to disburse the sum of \$\_\_\_\_\_ from the [Administrative Expense Account of the Issuing and Paying Agent Fund][\_\_\_\_\_ Account of the Costs of Issuance Fund] established under the [Issuing and Paying Agent Agreement][Trust Agreement]. You are instructed to pay such disbursement to the order of the following payee, and for the following cost(s) and/or expense(s).

Payee: \_\_\_\_\_

Cost(s) and/or expense(s) for which disbursement is requested:

\_\_\_\_\_

Dated: \_\_\_\_\_

City of San José

By \_\_\_\_\_  
City Representative

## EXHIBIT E

### PROJECT LIST

#### Projects Approved as of November 17, 2005

<u>Project</u>	<u>Anticipated Amount as of 11-17-05</u>
Civic Center Offsite Employee Parking Garage (construction and land acquisition) <sup>(1)</sup>	\$20.797 million
Technology, Furniture and Equipment for Civic Center	\$45.250 million
Civic Center Construction	\$9.036 million
Improvement to Existing City Facilities	\$1.600 million
City Hall Renovation Design (Reimbursement)	\$0.534 million
CUSP Project	\$11.000 million
Central Service Yard Phase II Project	\$21.500 million
Main Service Yard Demolition and Clean-Up	\$2.100 million
Interest and fees	\$4.183 million

- (1) \$13.625 million represents the offsite Parking Garage land that was previously funded from the proceeds of the City of San José Financing Authority Bond Anticipation Notes and Lease Revenue Bonds, Series 2002 B, C and D (Civic Center Project). Additionally, \$14.956 of Tax-Exempt Commercial Paper Notes issued for the Civic Center Offsite Employee Parking Garage have been repaid through the proceeds of the California Statewide Communities Development Authority Revenue Anticipation Notes (Vehicle License Fee Program) received by the City, and is therefore not included in the \$20.797 million amount stated above.

#### **Projects Approved After November 17, 2005**

Project	Authorized Amount
HP Pavilion	In an amount authorized by the City Council, provided that the issuance of Commercial Paper Notes for such purpose or purposes complies with the terms of the Trust Agreement
Other capital improvements, working capital expenditures, or the refinancing of obligations of the Authority or the City, as approved by City Council and Authority Board	

**EXHIBIT F**

**FORM OF DISBURSEMENT REQUEST  
(Project Accounts)**

[Letterhead of City of San José]

Wells Fargo Bank, National Association  
707 Wilshire Boulevard, 17th Floor  
Los Angeles, California 90017  
Attention: Corporate Trust Department

Re: City of San José Financing Authority Tax-Exempt Lease Revenue Commercial  
Paper Notes

and

City of San José Financing Authority Taxable Lease Revenue Commercial Paper  
Notes

Request No. \_\_\_\_ for Disbursement From Project Fund

Dear Madams and Sirs:

In accordance with the terms of a Trust Agreement, by and between you and the City of San José Financing Authority, dated as of January 1, 2004, as amended and restated as of June 1, 2005, and as further amended by a First Supplement to Amended and Restated Trust Agreement dated as of November 1, 2005 and a Second Supplement to Amended and Restated Trust Agreement dated as of October 1, 2008 (as so amended and as may be further amended, modified or otherwise supplemented from time to time, the "Trust Agreement"), you are hereby authorized and requested to make immediate disbursement of funds held by you for Project Costs (capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Trust Agreement) from the [Tax-Exempt Subaccount/Taxable Subaccount] of the \_\_\_\_\_ Account of the Project Fund.

You are hereby requested to pay from the [Tax-Exempt Subaccount/Taxable Subaccount] of the \_\_\_\_\_ Account of the Project Fund [or other account or subaccount within the Project Fund], to the Person designated on Schedule A attached hereto as payee(s), the sum set forth on said Schedule, in payment of all or a portion of the Project Costs described on said Schedule.

The undersigned hereby certifies that (i) no part of the amount requested herein has been included in any other request previously filed with you; (ii) to the knowledge of the undersigned, there has not been filed with or served upon the City of San José any notice of any lien or attachment upon or claim (except for any preliminary notice of lien as may be filed in accordance with law) affecting the right of the person, corporation or other entity stated below to receive payment of the amount stated below, which lien has not been released or will not be released simultaneously with the payment requested hereunder; (iii) the labor, services and/or materials covered hereby have been performed upon or furnished and the payment requested herein is due and payable under a purchase order, contract or other authorization. The undersigned further certifies that with respect to expenditures from the Project Fund funded with the proceeds of the Tax-Exempt Commercial Paper Notes that (i) not more than 5% of the amount disbursed to date from the Project Fund, including the amount disbursed hereby, will be used to provide for property that will be used in any trade or business of any non-governmental person (i.e., any entity or person other than a state or a political subdivision thereof), other than as a member of the general public; and (ii) not more than 5% of the amount disbursed to date from the Project Fund, including the amount disbursed hereby, will be used to pay working capital expenses relating to the start-up of the Project.

Dated: \_\_\_\_\_

CITY OF SAN JOSE

By: \_\_\_\_\_  
Title: [Director of Public Works/Director of  
General Services/Director of  
Information Technology/City  
Manager]

Approved:

CITY OF SAN JOSE FINANCING  
AUTHORITY

By: \_\_\_\_\_  
Treasurer/Deputy Director of Finance

**Schedule A**

Payee  
(include address)

Description  
of Costs

Amount



## EXHIBIT G

### FORM OF ISSUANCE REQUEST TO PAYING AGENT\*

REQUEST NO. \_\_\_\_

[This is to confirm the instructions previously given by telephone on this date.]

Pursuant to Section 3.01 of the Trust Agreement, dated as of January 1, 2004, as amended and restated as of June 1, 2005, and as amended by the First Supplement to the Amended and Restated Trust Agreement dated as of November 1, 2005 and a Second Supplement to Amended and Restated Trust Agreement dated as of October 1, 2008 (as so amended and as may be further amended, modified or otherwise supplemented from time to time, the "Trust Agreement"), both between the City of San José Financing Authority (the "Authority") and Wells Fargo Bank, National Association, as trustee (the "Trustee") the undersigned, an Authorized Representative of the Authority does hereby request Wells Fargo Bank, National Association, as Issuing and Paying Agent (the "Issuing and Paying Agent") under the Issuing and Paying Agent Agreement dated as of January 1, 2004 between the Authority and the Issuing and Paying Agent, as amended and restated as of June 1, 2005, to issue Commercial Paper Notes, as follows:

1. Designation of Commercial Paper:  
(including Tax-Exempt or Taxable) \_\_\_\_\_
2. Amount of Tax-Exempt Commercial Paper  
Notes being issued under the Act \_\_\_\_\_
3. Amount of Tax-Exempt Commercial Paper  
Notes being issued under the Refunding  
Law \_\_\_\_\_
5. Amount of Taxable Commercial Paper  
Notes being issued under the Act \_\_\_\_\_
6. Amount of Taxable Commercial Paper  
Notes being issued under the Refunding  
Law \_\_\_\_\_
7. Date of Requested Issuance: \_\_\_\_\_
8. Total Principal Amount: \$ \_\_\_\_\_  
  
Renewal Notes: \$ \_\_\_\_\_  
Original Issue Notes \$ \_\_\_\_\_
9. Total Purchase Price for Notes\*\*: \$ \_\_\_\_\_

\*To promptly follow telephone issuance request, given no later than 1:00 p.m. (New York City time) on the [date prior to] the Date of Requested Issuance specified in Paragraph I herein.

\*\*If the Purchase Price is other than the Principal Amount, the Dealer shall certify, in writing, as to the Purchase Price of such Notes.

The maturity dates and principal amounts for the Commercial Paper Notes and instructions for the deposit by the Trustee of the proceeds of the Commercial Paper Notes are set forth in Exhibit A hereto.

[Select one of the following paragraphs]

[The Authority is using the book-entry system with respect to the Commercial Paper Notes and, accordingly, the Issuing and Paying Agent shall debit the purchaser's account at the Depository against credit to the Issuing and Paying Agent's account at the Depository, which purchase shall then be recorded on the books and records of the Issuing and Paying Agent maintained with respect to each Master Note.]

or

[The Authority is no longer using the book-entry system with respect to the Commercial Paper Notes and, accordingly, the Issuing and Paying Agent shall authenticate the Commercial Paper Notes by countersignature of its authorized officer or employee and deliver them to the named purchaser or purchasers thereof upon receipt of payment in accordance with the custom then prevailing in the New York financial market in regard to such Commercial Paper Notes, and the rules of the New York Clearinghouse shall apply thereto.]

Pursuant to Section 3.01 of the Trust Agreement, the undersigned hereby certifies that all action on the part of the Authority necessary for the valid issuance of the Commercial Paper Notes being issued pursuant to this request has been taken, that all provisions of California law necessary for the valid issuance of such Commercial Paper Notes with provision for interest exemption from California personal income taxation have been complied with[, that all provisions of federal law for the valid issuance of Tax-Exempt Commercial Paper Notes with provision for the exclusion of interest from gross income for federal income tax purposes have been complied with,] and that such Commercial Paper Notes in the possession of the Holders thereof will be valid and enforceable obligations of the Authority according to their terms, subject to the exercise of judicial discretion in accordance with general principles of equity and bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted.

[The Authority further certifies that it is in compliance with the conditions to the issuance of Tax-Exempt Commercial Paper Notes specified in Section 3.01(e) of the Trust Agreement, and hereby reconfirms all of its expectations set forth in the Nonarbitrage Certificate as of the date of this Issuance Request.]

All capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Trust Agreement.

Date: \_\_\_\_\_

Request Number: \_\_\_\_\_

CITY OF SAN JOSE FINANCING AUTHORITY

By: \_\_\_\_\_

Authorized Representative

cc: Wells Fargo Bank, National Association,  
as trustee

Exhibit A  
to  
Form of Issuance Request to Paying Agent  
Term of Commercial Paper Notes:

Renewal Notes

Maturity Date

Principal Amount

Original Issue Notes

Maturity Date

Principal Amount

The proceeds of Renewal Notes shall be deposited in the Bank Reimbursement Account of the Issuing and Paying Agent Fund, as provided in Section 3.02(a) of the Trust Agreement. The proceeds of Original Issue Notes shall be deposited as follows:

\_\_\_\_\_ Subaccount of the Garage  
Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Technology,  
Furniture and Equipment Account of the Project  
Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Existing City Hall  
Renovation Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the 2004 Civic  
Center Construction Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Interim City  
Facilities Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the CUSP Project  
Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Central Service  
Yard Phase II Project Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Main Service  
Yard Project Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Capitalized  
Interest Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the Capitalized Fees  
Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Account of the Costs of Issuance  
Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the HP Pavilion  
Account of the Project Fund \$ \_\_\_\_\_

\_\_\_\_\_ Subaccount of the  
\_\_\_\_\_ Account of the Project Fund \$ \_\_\_\_\_